



CALIFORNIA
ENERGY
COMMISSION

GRANT SOLICITATION

Research, Development & Demonstration Grants for Improving Energy Efficiency in California's Food Processing and Dairy Processing Industry

**Solicitation Number
PON-08-007**

**Program Area: PIER- Industrial,
Agriculture and Water Energy
Efficiency Program**

APPLICATION
MANUAL

December 22, 2008



Arnold Schwarzenegger, *Governor*

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GRANT SOLICITATION AND APPLICATION PACKAGE

Public Interest Energy Research (PIER) Industrial/Agriculture/Water (IAW), Research, Development and Demonstration (RD&D)

Subject Area: Research, Development and Demonstration (RD&D) Grants for Improving Energy Efficiency in Food Processing and Dairy Processing Industries in California

1. **Release Date:** December 22, 2008

2. **Due Dates:** Final Proposal: February 10, 2009 at 4:00 p.m.

3. **Purpose of Program:**

The State of California has identified energy efficiency as a major strategy to reduce the state's energy use. Industrial energy users consume a large portion of California's energy, and can make a major contribution to the reduction of electricity and natural gas use by adopting new energy efficient technologies. This competitive grant solicitation by the California Energy Commission through its Public Interest Energy Research (PIER) program is soliciting technologies and/or scientific advances that will significantly reduce energy and water use in California's food and dairy processing industries. This solicitation seeks new technologies, improvement in current technologies, fuel substitution or process optimization. Outcomes of research projects will be shared and serve as a model for food and dairy processors to adapt to their own specific situations to improve production efficiencies and thereby enhance competitiveness of industry in California.

4. **Availability of Solicitation Documents and Information:**

This solicitation and all supporting documents and forms can be found at <http://www.energy.ca.gov/contracts/index.html> under "Current Solicitations." Interested parties may also register on the electronic mailing list on this webpage to receive notifications of any changes to this solicitation.

For those parties without Internet access, copies of solicitation documents and information can be obtained by contacting:

The Grants and Loans Office
California Energy Commission
1516 Ninth Street, MS-1
Sacramento, CA 95814
Telephone: (916) 654-4381

In addition, interested parties may request to be added to the mailing notification list to receive changes made to this solicitation.

5. PIER and Industrial/Agriculture/Water Program Background:

In 1996, Governor Wilson signed into law Assembly Bill (AB) 1890 (1996 California Statutes, Chapter 854) which provided authority for a fundamental restructuring of California's electric services industry. Among other things, AB 1890 added Section 381 to the Public Utilities Code, requiring that at least \$62.5 million be collected annually from investor-owned electric utility ratepayers for "public interest" energy RD&D efforts not adequately provided by competitive and regulated markets. The California Energy Commission administers these funds through the PIER program. In August of 2004, the California Public Utilities Commission (CPUC) issued Decision (D.) 04-08-010 making funds available for public interest natural gas research and development (R&D) projects. For FY 2008, the CPUC has authorized \$21 million for PIER funding. Public Interest Natural Gas Research must conform to all of the following criteria:

- Advances science or technology.
- Research benefits accrue to California citizens.
- The research is not adequately addressed by competitive or regulated entities.
- Extends the use of renewable energy for industrial applications.

In general, the research funded by this program should improve natural gas energy efficiency, electricity efficiency, environmental quality, develop renewable technologies, and otherwise provide benefits to the public. The funds for this grant solicitation are from the Natural Gas and/or Electricity program.

PIER brings new energy services and products to the marketplace and creates state-wide environmental and economic benefits. PIER funding efforts are focused on the following RD&D research areas:

1. Industrial/Agricultural/Water End-Use Energy Efficiency (IAW)
2. Buildings End-Use Energy Efficiency
3. Energy-Related Environmental Research
4. Energy Systems Integration
5. Environmentally-Preferred Advanced Generation
6. Renewable Energy Technologies
7. Transportation Research

Significant energy issues in each of the PIER program areas have been identified. The PIER program focus has been directed towards resolving these issues and meeting the overall PIER objectives of improving affordability, reliability, health and safety, California's economy, environmental outcomes, and consumer choices relevant to electricity supply and use in California. This solicitation, however, is being issued by PIER's Industrial/Agricultural/Water program, and will not consider research and demonstration for issues addressed by any of the other PIER programs. However, technologies developed under other PIER programs that could have a clear and direct food processing and dairy processing applications are eligible to apply.

The industrial, agriculture and water sectors in California use 30 percent of all the electricity

consumed annually in the state. These sectors which are vital to California's economy rely on an affordable, reliable and sustained supply of energy. These sectors are also sensitive to the reliability and quality of electric power. Therefore, besides improving energy efficiency the program also strives to research, develop, and demonstrate technologies that help these sectors deal with power quality and power supply reliability issues, if they directly improve energy efficiency or energy demand.

California's food processing industry generates over \$50 billion in gross annual revenues, consumes more than 600 million therms of natural gas and over 3,700 million kilowatt hours of electricity, including the electricity used in refrigerated warehouses. Food processing is the third largest industrial energy user in the state.

Dairies represent an important industry in California, employing over 13,000 people directly in about 140 different facilities (U.S. Census, 2006). California's dairy industry is comprised of four major segments: fluid milk, butter, cheese, and dry, condensed and evaporated products. California's dairy industry as a whole annually consumes 7.6 TBtu of natural gas and 761 GWh of electricity. It is also estimated that within the California dairy industry, two segments – cheese and dry, condensed, and evaporated products – consume over 90% of the natural gas and over 70% of the electricity used by the industry. In addition, the fluid milk subsector consumes about 26% of the electricity used by the industry.

This grant solicitation is intended to address the technical areas relevant to the food processing and dairy processing sectors in California.

6. Eligible Projects:

Proposals should reflect a comprehensive understanding of the current state of technologies in the food processing or dairy processing industries in California. The projects must propose RD&D activities that are not adequately covered by the competitive market. Successful proposals should clearly indicate which of the two industries, food processing or dairy industry, is being targeted. The eligible projects under food processing and dairy include but are not limited to, vegetable and fruit processing; production of milk and processing of milk into cheese, whey, powder etc; wineries, breweries and soft drink production; meat & poultry processing; and bakeries. Besides energy efficiency, proposals that reduce the use of water or wastewater leading to direct energy savings at the user site are also eligible. Within the food processing and dairy industry projects that clearly and directly reduce greenhouse gases in addition to improving energy efficiency are encouraged to apply. Proposals must provide a market connection for the proposed technology and a potential benefit to electricity and/or natural gas ratepayers in California.

7. Eligible Applicants:

This is an open solicitation seeking proposals from public, private and individual entities actively involved in electricity and natural gas efficiency research, development and demonstration. To be eligible, Applicants must present a team with demonstrated capabilities in successful completion of research, technology development and demonstration projects.

Participation in this program is open to U.S.-based individuals, private industry, non-profit organizations, industry associations, academic institutions, and state and federal agencies. A partial listing of eligible proposers follows:

- **Individuals:** Must be acting independently. If employed or affiliated with an organization, applicant must have authorization from the organization to pursue project development exclusively as an individual with no rights reserved to the organization. NOTE: Proposers who are employed by a college/university or affiliated laboratory are **not** eligible to apply as individuals; submission for such employees **must** be made through the proposer's home institution.
- **For-profit companies**
- **Non-profit organizations**
- **Industry associations**
- **Academic institutions: Public or private post-secondary institutions.**
- **State and Federal organizations:** State and Federal agencies, federal laboratories or other Federally Funded Research and Development Centers that are not otherwise prohibited from directly responding to a public solicitation.

Institutions may submit more than one proposal, but only one proposal per Principal Investigator is allowed. If two or more proposals are submitted by the same PI, the Program Administrator will reject all proposals from this PI and will return the proposal(s) to the applicant.

Pursuant to AB 2267 (Fuentes, 2008), the California Energy Commission's Public Interest Energy Research (PIER) Program must give a priority to "California-based entities" (CBEs) when making awards. To implement this AB 2267, the Energy Commission will award preference points if the proposal meets the criteria for a CBE as described in Attachment I.

California business entities as well as non-California business entities conducting intrastate business in California are required to register and be in good standing with the California Secretary of State to enter into a funding agreement with the Energy Commission. If not currently registered with the California Secretary of State, Applicants are encouraged to contact the Secretary of State's Office as soon as possible to avoid potential delays in beginning the project if successful under this solicitation. For more information, contact the California Secretary of State via their website at www.sos.ca.gov.

8. Funding Information:

Approximately \$2 million of FY 2007/08 PIER Electricity funding is available under this solicitation for grant awards. A maximum of \$400,000 is available for each approved proposal. In case of a high number of exceptional, desirable projects, the program may release additional funds upon approval from the PIER Program Management. At least 25% of the grant request must be provided by the proposer as match funding either in cash or in-kind.

The program is expected to award approximately \$2,000,000 between six to eight individual projects with project costs up to \$400,000. The research projects are expected to last up to

24 months from the agreement start date, including 3 months for final technical report review and acceptance. The earliest start date for projects is anticipated to be August 1, 2009.

Cost-Sharing

Cost-sharing is required and is a consideration in the evaluation process. Match funding of 25%, either in cash or in-kind, of the requested PIER funding is required. Proposals with higher match funding are desirable and will be scored higher.

A letter of intent/interest from all co-sponsors must be included in the proposal.

Staff time, laboratory space, equipment, and most property can count as match funds if they are dedicated to the project for the time the property or equipment is required by the agreement, and if the value of the contribution is based on documented market values or book values and is depreciated or amortized over the term of the project using generally accepted accounting practices.

Property and equipment that does not qualify as match funds include such items as standard office supplies and property or equipment that is part of the applicant's normal business activity (desks, typewriters, telephones, computers, software, etc.).

In all cases, the Energy Commission reserves the right to review and approve or disapprove the crediting of contributions and the amounts of those contributions as match funding.

Prior investments in the project do not qualify as match funds. Funding from other Energy Commission projects does not qualify as match funding. The sources and amounts of match funding must be identified in the applicant's budget.

Proposed match funding must be spent concurrently with PIER Program funds, and only on the project elements described in the proposal. Match funds can be spent once the Commission has approved an Award at a scheduled Business Meeting. However, PIER funds cannot be spent until the agreement with Energy Commission is fully executed.

9. Payment of Prevailing Wages

Some Projects submitted under this solicitation might be considered public works pursuant to the California Labor Code. If the Project includes public work, prevailing wage is required. The California Department of Industrial Relations (DIR) has jurisdiction to decide whether a particular Project is or is not a public work. If your Project involves construction, alteration, demolition, installation, repair or maintenance work, it probably would be considered by DIR to be a public work. A few of the activities that would probably lead DIR to find that the Project involves public works include: cement work, site preparation such as grading, surveying, electrical work such as wiring, and carpentry work. Certain workers are entitled to prevailing wage such as equipment operators, surveyors, carpenters, laborers, etc. However, other trades are not entitled to prevailing wage such as engineers and project superintendents.

Applicants are encouraged to determine if the proposed Project involves public works as soon as possible. In order to determine if the proposed Project involves public works, you will need to contact DIR. If the Applicant has not received a determination from DIR that the Project is not a public work, your budget must provide for the payment of prevailing wages. Please indicate whether the proposed budget includes prevailing wage.

If the proposed Project is a public work, DIR maintains a list of covered trades and the applicable prevailing wage. The agreement will include the requirements for public works, such as paying prevailing wage, keeping payroll records, complying with working hour requirements, and apprenticeship obligations. See the Special Condition (Attachment H) regarding Prevailing Wage, and the accompanying forms (Attachment I) for more information.

For detailed information about prevailing wage and the process to determine if the proposed Project is a public work, see Attachment F.

10. California Environmental Quality Act (CEQA)

Some of the Projects selected for funding may meet the definition of a “project” for purposes of CEQA (see Public Resources Code section 21000 et seq.) If this occurs, the Energy Commission’s Legal Staff will review the Project to determine whether an exemption applies that would prevent further actions under CEQA. If no exemption applies, certain CEQA requirements (e.g., preparation of a negative declaration or environmental impact report) will have to be met prior to the Energy Commission approving the grant. The Applicant will have to pay the cost for these activities. Please refer to Title 20, California Code of Regulations, Chapter 6, Article 1, including section 2308.

11. Selection of Projects and Award Process

The following process will be utilized to recommend project(s) for funding:

1. Based on the proposals submitted, a scoring committee will score the projects using the scoring criteria described in Attachment E. The Scoring Committee may seek input from technical reviewers both internal and external to the Energy Commission when evaluating proposals.
2. The scoring committee may conduct optional interviews for clarification purposes.
3. A minimum score of 98 (out of 140) with no score which is less than 5, before weighting, in any of the first 8 scoring criteria is required to be eligible for funding.
 - i.
4. Projects receiving a score of 98 or more will be ranked according to their overall score.
5. Upon completion of evaluation and scoring, the Proposal Scoring Committee will prepare a ranked list of the proposals, in descending order, based upon each proposal's total score. The Commission's Research, Development, and Demonstration (RD&D) Policy Committee will recommend how far down the ranked list of passing proposals to make awards.
6. The Energy Commission reserves the right to negotiate with the Applicant(s) to modify the project scope, level of funding, or both.

7. If the Energy Commission is unable to successfully negotiate and execute a funding agreement with an Applicant, the Energy Commission, at its sole discretion, reserves the right to cancel the pending award and fund the next highest ranked eligible project proposal received under this solicitation.
8. A Notice of Proposed Awards will be released.
9. Public agencies and non-profit organizations that receive funding under this solicitation must provide an authorizing resolution approved by their governing authority to enter into an Agreement with the Energy Commission.
10. A Grant Agreement, which includes applicable Terms and Conditions*, will be written and sent to the Recipient(s) for review, approval, and signature. Proposed Grant Recipient(s) will be required to prepare a detailed set of award documents including, but not limited to, a Work Statement, a list of products and due dates, and detailed budget documents. Public agencies and non-profit organizations must also provide an authorizing resolution approved by their governing authority. Funding will be awarded only upon satisfactory completion of these documents.
11. The completed agreement will be taken to the Energy Commission Business meeting for approval.
12. Once all parties have approved the agreement it will be finalized and executed. Recipient(s) are approved to begin the project only after full execution of the Grant Agreement.

* ***The PIER Grant Terms and Conditions can be found at <http://www.energy.ca.gov/contracts/index.html> as part of this solicitation package. Please note, however, the Energy Commission reserves the right to modify the terms and conditions prior to executing grant agreements.***

Unfunded Proposals

Applicants of projects that are not funded will be notified of their rank and will be given an opportunity to discuss the project evaluation. After the Notice of Proposed Awards (NOPA) is posted on the Energy Commission website, each unsuccessful Applicant may request a debriefing meeting with the Energy Commission. A written request must be submitted to the Energy Commission within 30 days of the NOPA posting on the Energy Commission website. The debriefing meeting is an opportunity for unsuccessful Applicants to learn why their particular application was not successful and may provide insight to improving application preparation for future PIER solicitations.

12. Schedule of Proposal and Award Process:

Release of Program Opportunity Notice	December 22, 2008
Proposal Workshop (via in person participation, teleconference, WebEx)	January 9, 2009 10 a.m.
Deadline to Submit Questions	January 15, 2009
Questions and Answers Posted on Website	January 23, 2009
Deadline to Submit Proposals No later than 4PM	February 10, 2009 4:00 p.m.
Interview Applicants (if Necessary)	March 2-6, 2009
Post Notice of Proposed Awards	<i>Estimated</i> April 15, 2009
Approval of Awards at Energy Commission Business Meeting	<i>Estimated</i> June 2009

13. Proposal Workshop:

A proposal workshop will be held through in-person participation, WebEx, and conference call. Participation by prospective Applicants is optional. Please call (916) 651-2074 or refer to the Energy Commission's website at <http://www.energy.ca.gov/contracts/index.html> to confirm the date and time.

Public participation may be done in-person, via WebEx, and/or conference call.

Date: January 9, 2009
Time: 10:00 AM,
Location: California Energy Commission
Hearing Room A, First Floor
1516 Ninth Street
Sacramento, California 95814

To join the WebEx meeting, click the following link and enter the meeting number and password provided below:

To join the online meeting

1. Go to
<https://energy.webex.com/energy/j.php?ED=112376967&UID=0&PW=2dddee24203746595d4a74752a27>
2. Enter your name and email address.
3. Enter the meeting password: meeting@9am
4. Click "Join Now".
5. Follow the instructions that appear on your screen.

To join the teleconference only

Provide your phone number when you join the meeting to receive a call back. Or, call the number below and enter the meeting number.

Call-in toll-free number (US/Canada): 866-469-3239

Call-in toll number (US/Canada): 1-650-429-3300

Global call-in numbers:

<https://energy.webex.com/energy/globalcallin.php?serviceType=MC&ED=112376967&tollFree=1>

Toll-free dialing restrictions: http://www.webex.com/pdf/tollfree_restrictions.pdf

For assistance

1. Go to <https://energy.webex.com/energy/mc>
2. On the left navigation bar, click "Support".

You can contact me at:

rkapoor@energy.state.ca.us

1-916-654-4611

To update this meeting to your calendar program (for example Microsoft Outlook), click this link:

<https://energy.webex.com/energy/j.php?ED=112376967&UID=0&ICS=UMI&LD=1&RD=2&ST=1&SHA2=KteJde/ZnnOdbEPomqgKNBYaccaSLAhMNv4RBY8n9Tc=>

WebEx will automatically setup Meeting Manager for Windows the first time you join a meeting. To save time, you can setup prior to the meeting by clicking this link:

<https://energy.webex.com/energy/meetingcenter/mcsetup.php>

The playback of UCF (Universal Communications Format) rich media files requires appropriate players. To view this type of rich media files in the meeting, please check whether you have the players installed on your computer by going to

<https://energy.webex.com/energy/systemdiagnosis.php>

<http://www.webex.com>

We've got to start meeting like this(TM)

IMPORTANT NOTICE: This WebEx service includes a feature that allows audio and any documents and other materials exchanged or viewed during the session to be recorded. **By joining this session, you automatically consent to such recordings. If you do not consent to the recording, do not join the session.**

14. Proposal Requirements:

It is required that proposals contain the following elements. ***Failure to include these elements WILL result in your proposal receiving a lower score and MAY result in your proposal being rejected and not eligible for funding.***

1. Contact information, including but not limited to: contact person's name, title, entity legal name, physical address, telephone number, fax number, email address etc. (Complete attachment A and use it as the cover of proposal)
2. Estimated start and end dates for the project that does not involve the project taking more than 24 months.
3. An Executive Summary of the project. The maximum length of the Executive Summary is two (2) pages. Project description; project objective; quantitative and measurable goals to be achieved; project duration and date of completion; amount of PIER funding requested; and total project budget including match funding.
4. A detailed discussion of how the proposed project addresses each of the scoring criteria as described in the Attachment E. Provide sufficient detail so that reviewers will be able to evaluate the proposal against each of the criteria.
5. Description of the state-of-the-art of the proposed technology and the current status of the research in the area of your project, barriers to advancement of the technology and why your project is the next logical step to advance the state-of-the-art of the technology or increase the penetration of the technology in the marketplace.
6. A Work Statement with a task-by-task description of your project including a process flow diagram. Include a one-sentence goal for each task, a list of the activities to be performed, product(s) to be produced, and the duration of the task. Please use the attached Work Statement template (Attachment B).
7. Description of quantified targets, goals and market application. An explanation of the target market and the size of the market where this application can be applied. In addition, the proposal must provide the estimated energy savings or demand reduction at the demonstration site.
8. Anticipated direct and indirect benefits to California electricity ratepayers.
9. Short resumes of the Principal Investigator (PI) and key research partners (individuals in your organization or subcontractors), emphasizing experience related to activities to be performed in the project.
10. Show project collaboration and coordination, especially the pathway to wider use and commercialization of this technology.
11. Project budget information, including the source(s) of match funding, a justification for the share of match funding, and the reasons why this project is not likely to be funded by competitive or regulated markets. Include the form in Attachment C, PIER funding for each task detailed by category on the fifth page, match funding for each task detailed by category on the sixth page, and total project funds budget details on the third page. The first page is detailed instructions and additional pages include summary budgets that will complete

automatically. This budget form is an Excel spreadsheet. It is posted on the Energy Commission website at <http://www.energy.ca.gov/contracts/index.html> as part of this solicitation package.

12. Indicate whether the project involves public works and whether the budget includes prevailing wages.
13. Provide hard copies of one (1) original and five (5) copies of the proposal and a CD containing all the documents related to the proposal. The documents do not need to be bound; binder clips are acceptable. The original must be signed by an authorized representative of your organization.
14. Any other significant factors to enhance the value of the proposal, including highlights of the previous work and innovative features related to the proposed project.
15. California-Based Entity (CBE) Preference Points Questionnaire (optional): Applicants meeting the criteria of a California-Based Entity (CBE) may have preference points added to their final technical score, subject to certain restrictions. Please see Exhibit I for more information. Eligible applicants must request and demonstrate eligibility by filling out and submitting as part of the proposal package the questionnaire contained in Exhibit J. Otherwise eligible applicants who do NOT submit the Exhibit J questionnaire shall NOT be eligible for the CBE Preference Points.

15. Proposal Guidelines:

Proposals should adhere to the following guidelines. ***Failure to adhere to these guidelines MAY result in your proposal being rejected and not eligible for funding.***

1. Limit proposals to a maximum length of 50 pages.
2. Use a standard 12-point font and 1-inch or larger page margins and number the pages.
3. The purchase of equipment (items with a unit cost greater than \$5,000 and a useful life greater than one year) with PIER funds is discouraged due to disposition requirements associated with the equipment. There are no disposition requirements for equipment purchased with match share funding.
4. Project duration cannot be more than two years, and must not start before August 2009.
5. All project expenditures (match share and reimbursable) must be expended within the approved term of the funding agreement.
6. Maximum PIER funding requests per project cannot exceed \$400,000.
7. The budget should allow for the expenses of a Kick-off Meeting, at least two Critical Project Review meetings, and a Final Meeting. It is anticipated that

meetings will be conducted at the Energy Commission located in Sacramento, CA.

8. The budgets should allow for the preparation and submission of monthly progress reports (2-4 pages each) during the approved term of the agreement, and a final report that follows Energy Commission guidelines which can be found at: <http://www.energy.ca.gov/contracts/pier/contractors/index.html>.
9. The budget must reflect estimates for **actual** costs to be incurred during the approved term of the project. The Energy Commission can only approve and reimburse expenditures for actual costs that are properly documented in accordance with the PIER Grant Terms and Conditions.
10. The budget must **NOT** include any profit from the proposed project, either as a reimbursed item or as match share. In accordance with the PIER Grant Terms and Conditions, **NO PROFIT IS ALLOWED UNDER GRANT AGREEMENTS**. Please review the PIER Grant Terms and Conditions for additional restrictions and requirements.

16. Confidential Information:

No confidential information will be accepted during the proposal and selection phase of this solicitation. If any confidential information is submitted, the entire proposal will be rejected and will not be eligible for funding. Proposals containing confidential information will be returned to the Applicant.

While discouraged, Applicants may **propose** to deliver confidential products during the course of the project if funded. If necessary, instructions on submitting confidential products will be provided by the Energy Commission prior to executing the Grant Agreement.

17. Proposal Submission Requirements:

One (1) original and five (5) copies of the grant application including any supporting documents and a CD containing all the documents **must be received no later than the due date and time specified above**. Mail completed grant applications to:

California Energy Commission
Grants and Loans Office
Attn: Food Processing and Dairy Processing Program
1516 Ninth Street, MS-1
Sacramento, CA 95814

Postmark dates of mailing, electronic mail (E-mail), and facsimile (Fax) transmissions are not acceptable in whole or in part under any circumstances. The Energy Commission will reject all proposals not received by the Energy Commission's Grants and Loans Office by the designated date and time.

Applications that do not include at least one (1) signed original and five (5) copies or have not been received by the Energy Commission by the specified due date and time will not be considered for funding.

18. Grounds for Rejection:

Proposals **WILL** be rejected and not considered for funding if:

1. The proposal is not received by the Energy Commission's Grants and Loans Office by the stated due date and time.
2. The proposal does not clearly state which Targeted Technology Area as defined under "Eligible Projects" is addressed by your proposal.
3. The proposal contains confidential information.
4. The Applicant proposes a project that has already been addressed or is being addressed.
5. Research has no clear market connection or does not address an issue or problem relevant in California.

Proposals **MAY** be rejected and not considered for funding if:

1. The proposal does not address each element listed under "Proposal Requirements."
2. The proposal does not adhere to the guidelines listed under "Proposal Guidelines."

19. Cancellation or Amendment of this Grant:

If it is in the State's best interest, the Commission may amend or cancel this Grant. It is the policy of the Commission not to solicit proposals unless there is a bona fide intention to award an Agreement. The Commission reserves the right to do any of the following:

- Cancel this Solicitation;
- Revise the amount of funds available under this Grant;
- Amend or revise this Grant as needed; or
- Reject any or all proposals received in response to this Grant.

20. Whom do I contact for more information and Questions?

Questions regarding this solicitation and the Food and Dairy Processing Program should be sent via email or letter to:

California Energy Commission
Grants and Loans Office
Attn: Food and Dairy Processing Program
1516 Ninth Street, MS-1
Sacramento, CA 95814
skawilli@energy.state.ca.us

Questions submitted to the Energy Commission by the specified deadline will be answered and posted on the Energy Commission website at www.energy.ca.gov/contracts as part of this solicitation package. The person and organization submitting a question will not be identified.

21. Attachments:

- A. Grant Application Cover Page
- B. Sample Statement of Work Format and Instructions
- C. Budget Forms
- D. Schedule of Products and Due Dates
- E. Formal Proposal Scoring Criteria
- F. Prevailing Wage Special Condition Template
- G. Prevailing Wage Compliance Certificate
- H. Prevailing Wage Compliance Qs & As
- I. California-Based Entity (CBE) Information
- J. CBE Questionnaire
- K. PIER Terms and Condition

Attachment A

Application Cover Page

Applicants should refer to the Application Cover Page Template which is posted at www.energy.ca.gov/contracts as part of this solicitation package. The document is a Microsoft Word document. Applicants should use the Attachment A template when completing the proposal cover page for submittal to the Energy Commission under this solicitation.

Attachment B

Work Statement Template

Applicants should refer to the Work Statement Template which is posted at www.energy.ca.gov/contracts as part of this solicitation package. The document is a Microsoft Word document. Applicants should use the Attachment B template when completing the work statement for submittal to the Energy Commission under this solicitation. Please see the included directions for more detail.

INSTRUCTIONS FOR THE SCOPE OF WORK TEMPLATE

THE **SCOPE OF WORK TEMPLATE** CONTAINS THE FRAMEWORK TO USE TO COMPLETE THE **SCOPE OF WORK**. THE TEMPLATE HAS INSTRUCTIONS IN **BLUE TYPE** WITHIN **< >** THAT ARE TO BE DELETED AS IT IS FILLED OUT. THE FOLLOWING ARE ADDITIONAL INSTRUCTIONS FOR THE ITEMS IN THE **SCOPE OF WORK**. AT THE END OF THESE INSTRUCTIONS, THERE ARE EXAMPLES OF **TECHNICAL TASKS** TO PROVIDE GUIDANCE IN DRAFTING YOUR OWN.

I. Technical Task List

Insert the Task numbers and Task names for the project. Put an "X" in the CPR column next to the Tasks that contain a Critical Project Review. Add additional rows as necessary.

II. Key Name List

List key parties within the agreement as described below. See Terms and Conditions for more information regarding key parties within the agreement.

Key Personnel are employees or consultants who are critical to the outcome of the project and are being paid with PIER funds. Key Personnel have expertise in the project field or experience that is not available from another source. Replacing these individuals may be difficult due to their expertise and may affect the outcome of the project. Since key personnel can come from various organizations working on the agreement, they should be written as follows to avoid confusion: "John Smith – Acme Company"

Key Subcontractors are contractors, subcontractors, or vendors who are critical to the outcome of the project and are being paid with PIER funds. Key Subcontractors have expertise in the project field or experience that is not available from another source. Replacing these individuals may be difficult due to their expertise and may affect the outcome of the project.

Key Partners are participants in the Project who are not receiving PIER funds and are not providing Match Funds but are integral to the outcome of the Project. Key Partners may be providing space, testing facilities, demonstration sites or may be a manufacturer or other implementer of the Project results. Individual key employees from the Key Partner organizations are listed under "Key Personnel." "Key Partners" are company names.

III. Glossary

Spell out each acronym used in the Scope of Work. Also include definitions of odd or unusual terms. Think about the document from the perspective of someone who does not work in the particular industry or discipline.

IV. Problem Statement

Describe the problem that this research will address in one to two paragraphs maximum.

Describe the scientific and technological baseline, that is, the current state-of-the-art or the developmental status of the subject technology to be advanced.

Identify entities engaged in development of the subject technology. Identify whether or not the proposed project duplicates or overlaps with other ongoing RD&D. Emphasize past advances that you have made in areas relevant to the proposed work.

Describe the deficiencies that exist for the subject technology. The deficiencies should illuminate the question of *why* the proposed project should be done.

Identify and discuss the principal barriers, key unresolved issues, and knowledge gaps that hinder the development and widespread use of the resource or the products of the proposed research in California. Barriers may be grouped under the following categories, or other categories that the Applicant deems appropriate:

- Scientific and technological – such as insufficient scientific understanding of relevant phenomena and processes, inadequate data acquisition technologies, low reliability, low power density, low energy density, lack of detailed engineering designs and design trade-off analyses, inadequate component development, high cost of fabrication techniques, insufficient field testing, or insufficient field demonstrations.
- Market – such as inadequate consumer knowledge or limited system supply and maintenance infrastructure.
- Institutional – such as regulatory hurdles (e.g., atmospheric emission limitations) or lack of adopted standards.
- Environmental – such as H₂S emissions, excessive noise, or ground water contamination.

Explain why these barriers have not been addressed by the marketplace or by other institutions.

Part 2.

Explain why the barriers should be addressed at this time. For example, place the proposed work into the context of the spectrum of barriers to widespread deployment and adoption.

V. Goals of the Agreement

At the beginning of this section, complete the following sentence. Please be succinct.

The goal of this project is to ... *<Complete the sentence with a brief description of the goal(s) and how the goal(s) will be met. Goals can be technical, economic or social. Please be brief, two to three sentences maximum.>*

VI. Objectives of the Agreement

The objectives of this project are to ... *<Complete this sentence with the objectives, which are things that will be measurable or knowable at the end of **this** project.>*

If the improvements that your project will make are not amenable to measurement, surrogate performance metrics that can be measured must be given. Describe the methodology or procedure that will be used at the completion of the project to determine if the performance metrics have been achieved.

List and describe technical or economic objectives, or desired conditions outside the project itself that will result from the success of the project.

VII. Task 1.0 Administration

The administrative tasks must be included in every agreement and, except for Tasks 1.8 and 1.9, the language does not change. Do NOT write anything in these tasks except for Task 1.8 and 1.9.

VIII. Technical Tasks (Tasks 2 through n)

This is the area in the Scope of Work where the technical work to be performed under this Agreement is set forth. The work effort should be divided into a series of logical, discrete and sequential tasks. Each task has the following components:

- Task Name
- The goal of this task is to ...
- The Recipient shall:
- Products

A. The Goal

The goal of this task is to ... *<Complete the sentence with a brief description of the goal(s). Please be brief, two to three sentences maximum.>*

B. The Recipient shall ...

List each individual **activity** with a separate bullet if there are more than two individual activities and begin each bullet with a verb to complete the sentence beginning with "The Recipient shall." Organize activities in the order in which they will occur. Use this section to describe the essential elements of the process you will use to complete the project. The contents of each product shall also be described in this section.

For Example:

The Recipient shall:

- Prepare the X Test Plan. This plan shall include, but is not limited to ...
- Submit the X Test Plan to the Commission Project Manager ...
- Conduct research in accordance with the X Test Plan.

- Prepare the X Test Results Report. This report shall include, but is not limited to, the following ...

Please note that if a project is for demonstration, or if a project involves testing, one of the tasks should be Test Plan preparation. The Test Plan should include considerations such as the number of hours of operation, the type of monitoring to be performed, the manner in which data will be validated, analyzed, and reported.

C. Products:

Product(s):

- *<Insert 1st product (name only)>*
- *<Insert 2nd product (name only)>*

Only the names of each product shall appear in the “Products” section. Use exactly the same name to identify a product (report, data set, project plan, etc.) in the activity and in the list of products.

Products incorporate the knowledge and understanding gained by performing the activities, and are submitted to the Energy Commission for review, comment and approval. Products include, but are not limited to, written reports that describe methods, test plans, results of testing, analysis of data, conclusions, and recommendations for future study, workshop agendas and summaries, description and photographs of equipment/product developed, summaries of advisory group meetings, computer software with written instructions for data input and use of the software, if intended for public or Energy Commission use, and production prototypes. The summaries of the Products should be sufficiently detailed to be of use to stakeholders and other researchers. The level of detail should be sufficient for an observer to assess whether the project objectives and goals have been successfully met.

D. Task n-1 Technology Transfer Activities

Change the language as appropriate for your project.

E. Task n Production Readiness Plan

Change the language as appropriate for your project.

IX. Examples of Different Types of Technical Products *(These are examples, which you may modify for use in your project. You may create other products as needed, but please adhere to the patterns shown.)*

1. Written Notification

- Provide a Written Notification regarding _____, to the Commission Project Manager. *(Give it a unique name based on the content and the project.)* The letter shall include but is not limited to written documentation that the _____ is ready for *(testing, viewing, submission for certification, etc.)* and the date such *(testing, viewing, submission for certification, etc.)* shall begin, and shall include photographs.

Product: Written Notification regarding _____

2. Test Plans

- Prepare the _____ Test Plan. *(Give it a unique name, such as the Site A Test Plan. Test plans and testing procedures should be described in detail including factors such as instrumentation, data collection, data analysis, statistical analyses, and performance curves. Test results shall include relationships among performance, efficiency, emissions, temperature, pressure and all other parameters that qualify and quantify the subject technology.)* The Test Plan shall include, but is not limited to:
 - a description of the process to be tested;
 - the rationale for why the tests are required;
 - predicted performance based on calculations or other analyses;
 - test objectives and technical approach;
 - a test matrix showing the number of test conditions and replicated runs;
 - a description of the facilities, equipment, instrumentation required to conduct the tests;
 - a description of test procedures, including parameters to be controlled and how they will be controlled; parameters to be measured and instrumentation to measure them; calibration procedures to be used; recommended calibration interval; and maintenance of the test log;
 - a description of the data analysis procedures;
 - a description of quality assurance procedures;
 - contingency measures to be considered if the test objectives are not met;
 - *<add additional bullets specific to the project as needed>.*

Product(s):

- Draft _____ Test Plan
- Final _____ Test Plan

3. Interim Reports *(This applies to all product reports. Examples include task and subtask reports, test reports, data sets, databases and computer model development or application. Monthly reports and the final report are treated separately as shown in the Scope of Work.)*

- Prepare the _____ Report *(Give it a unique name, such as the ABC Test Report or 123 Database. If an interim report is based on earlier work in this*

project, then the titles should relate to each other. After the title insert a description of the product.) This report shall include, but is not limited to, the following: (List the elements of the report in separate bullets.)

For example, if the Interim Report is a Test Report, use the following description:

The Test Report shall include, but is not limited to, the following:

- the Test Plan;
- test results;
- analysis;
- conclusions;
- recommendations;
- photographs as appropriate;
- *<add additional bullets specific to the project as needed>.*

For example, if the Interim Report is a Task or Subtask Report, use the following description:

The Task or Subtask Report shall include, but is not limited to, the following:

- the goal of the task or subtask;
- the description of the approach used;
- list of activities performed;
- description of the results and to what degree the goal was achieved;
- significant issues encountered and how they were addressed;
- a discussion of the implications regarding the success or failure of the results, and the effect on the budget and the overall objectives of the project;
- photographs as appropriate;
- *<add additional bullets specific to the project as needed>.*

Product(s):

- Draft _____ Test (Task, Database, etc.) Report
- Final _____ Test (Task, Database, etc.) Report

4. Bills of Materials or Equipment Lists

- **Prepare a Bill of Materials (or Equipment List) for _____.** *(Give it a unique name.). This document shall include but is not limited to:*
 - **a description of each item;**
 - **test protocols and codes applicable to each item;**
 - **cost estimates or bids for each item.**

Product: Bill of Materials (or Equipment List) for _____

5. Site Selection (optionally, this can be incorporated into a Test Plan)

- Determine Site Selection Details for the field test site, including but not limited to the following, and obtain Commission Project Manager approval:
- Type of site, i.e., <Sites for Wind Energy Storage Projects>
 - Residential
 - Specify type of dwelling: single family, multiple family including number of units, apartment, townhouse, etc.

- Specify age of dwelling: new home construction, model home, existing home (indicate approximate age)
- Commercial (specify warehouse, retail, office, etc.) <Sites for Wind Energy Storage Projects>
- Number of sites
- Location, i.e., climate zone, area, or city
- Timing of testing (i.e., season or month), length and frequency of testing
- Agreement with site owner, to address issues such as:
 - Details of test, including dates, length of test
 - Site owner input and feedback on test conditions
 - Access to site
 - Insurance and indemnity
 - Contingency if damages are caused by test
 - Equipment installation and removal

Once the site is selected, Recipient shall enter into an agreement with the site owner and make a copy of the agreement available to the Commission Project Manager upon request.

Product: Written Notification of Site Selection

Attachment C

Budget

Applicants should refer to the Budget Template which is posted at www.energy.ca.gov/contracts as part of this solicitation package. The document is a Microsoft Excel document. Applicants should use the Attachment C template when completing the budget for submittal to the Energy Commission under this solicitation.

Attachment D

Schedule of Products and Due Dates

Applicants should refer to the Schedule of Products and Due Dates Template which is posted at www.energy.ca.gov/contracts as part of this solicitation package. The document is a Microsoft Excel document. Applicants should use the Attachment D template when completing the schedule of products and due dates for submittal to the Energy Commission under this solicitation.

ATTACHMENT E

Proposal Scoring Criteria

Technical Review Process and Criteria

All proposals that pass the initial screening will be further evaluated and scored for technical merit by a Scoring Committee. Members of the Committee will have recognized expertise in the proposed subject area, and may be from academia, industry, or government.

Each reviewer will be required to sign a conflict of interest and non-disclosure agreements. The identity of the review panel members will be kept confidential. All proposal evaluators and scorers will keep the contents of the proposals confidential.

Technical Review Scoring

The proposal will be evaluated and scored according to the scoring criteria below. Eligible proposals will be ranked in descending order based upon total score. All proposals receiving a weighted score of at least 70% of the possible points and an unweighted score of at least 5 on all of the first 8 criteria will be considered for funding. The review panel will give a score from zero to ten for each criterion described below, based upon the information provided by the applicant's proposal. Each score will then be multiplied by a weighting factor to obtain the total points for that criterion.

Pursuant to AB 2267 (Fuentes, 2008), the California Energy Commission's Public Interest Energy Research (PIER) Program must give a priority to "California-based entities" (CBEs) when making awards. To implement this AB 2267, the Energy Commission will award preference points if the proposal meets the criteria for a CBE as described in Attachment I.

Scores will be assigned in accordance with the following guidelines:

Score	Response to the Criterion
0	Not responsive
1-2	Response is minimal
3-4	Responds only marginally to relevant considerations
5 - 6	Responds satisfactorily to most relevant considerations
7 - 8	Responds satisfactorily to all relevant considerations
9	Responds completely, accurately and convincingly to all relevant considerations
10	Response is complete, specific and superior, both quantitatively and qualitatively

Technical Review Criteria

1. **Scientific and technological baseline.** Weighting Factor: 1.0

The proposal describes the current status of the science and technology to be improved by the proposed effort. It describes past and current work in the subject technology including successes and failures. The description is in sufficient detail to place the proposed effort in the continuation of scientific and technological development.

2. **Barriers, issues, and/or knowledge gaps.** Weighting Factor: 1.0

The proposal clearly identifies, describes and quantifies the barriers, issues and knowledge gaps that the proposed project will address. The relevance of the barriers to the development of the proposed technology in California is discussed. Explain why these issues have not been addressed to date and why it is appropriate to address them now.

3. Measurable technical and economic performance goals. Weighting Factor: 1.0

The proposal presents clear, significant, and quantifiable technical and economic goals and objectives. It includes methodology to determine if the project objectives and goals have been achieved.

4. Technical approach and probability of success. Weighting Factor: 1.0

The proposed project is based on sound scientific and technical principles and has a high probability of success. The specific expected advancements in science or technology are well described. The types of activities that will be performed are detailed and distinctive and innovative features of the approach are discussed. Proprietary information (if necessary) to complete the project is described, along with a plan for obtaining this information. Plans for resolving intellectual property concerns, if any, are described.

5. Benefit to California electricity ratepayers. Weighting Factor: 2.5

The proposal explains how the expected outcomes of the anticipated project benefits the California electricity ratepayers and/or natural gas ratepayers in medium term (five years) and long term (ten years). It lists and describes quantitative or computable economic impacts.

Potential new environmental or safety issues associated with the project are addressed.

The subsequent steps, the time, and the approximate expenditures that are necessary to lead to a commercial product are discussed. The market connection and time frame for accrual of the economic benefits is discussed, along with any additional activities required to realize these benefits.

The proposal explains why the proposed project is not adequately provided by the competitive or regulated markets, and would not occur in the absence of PIER or other similar R & D funding source.

6. Statement of Work. Weighting Factor: 2.0

The proposal contains a clear, interconnected, logical list of tasks and products.

Every task contains a description of activities. The activities are complete and clearly described. The description is in sufficient detail to be incorporated directly into a Standard Agreement.

The tasks and products reasonably allocate time with respect to the sequence of tasks, time allocated per task, and the use of labor, equipment, and facilities.

7. The project costs. Weighting Factor: 2.0

The proposal justifies that the project cost is appropriate, and consistent with the significance of the barriers being addressed, the project's objectives and goals, and the level of effort described in the Statement of Work.

The proposal justifies that the amount of requested funding and cost sharing is appropriate with respect to the level of public benefits.

8. The Project Team. Weighting Factor: 2.5

The proposal demonstrates that the Principle Investigator and the team have relevant expertise for successfully managing the project, control cost, maintain the schedule, and report results and accomplishments in an effective manner. The proposal identifies all the key personnel and provides resumes.

The project team should include one or more California based industrial partners to ensure that the demonstration is as realistic as possible and addresses the operational issues in integrating the technology in an industrial facility in the State. If the proposed project site is owned and/or managed by anyone other than the industrial partner, then the proposal must include a letter of firm commitment from the owner and/or manager of industrial site granting permission to use the site for duration of the contract.

9. Other significant factors of merit. Weighting Factor: 1.0

The proposal presents other significant factors of merit such as; a particularly unique approach, superior performance by the project team on previous projects and possible contribution by the project to PIER RD&D portfolio across technology types, levels of risk and time to commercialization.

The IAW Project Manager will work with the Scoring Committee members and the Program Administrator to establish a consensus on the ranking of the proposals, based on technical review comments, initial scores, and PIER IAW Program policies and procedures.

Attachment F

PREVAILING WAGE SPECIAL CONDITION TEMPLATE

PUBLIC WORKS AND PAYMENT OF PREVAILING WAGE

A. Recipient/General Requirements

1. Recipient shall comply with state prevailing wage law, Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720 and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000, for any “public works” (as that term is defined in the statutes) performed on the Project funded by this Agreement. For purpose of compliance with prevailing wage law, the Recipient shall comply with provisions applicable to an awarding body. Compliance with state prevailing wage law includes without limitation: payment of at least prevailing wage as applicable; overtime and working hour requirements; apprenticeship obligations; payroll recordkeeping requirements; and other obligations as required by law.
2. Recipient shall certify to the Energy Commission on each Payment Request Form, that prevailing wages were paid to eligible workers who provided labor for work covered by the payment request and that the Recipient and all contractors complied with prevailing wage laws. Prior to the release of any retained funds under this Agreement, the Recipient shall submit to the Energy Commission a certificate signed by the Recipient and all contractors performing public works activities stating that prevailing wages were paid as required by law.

B. Flowdown Requirements

Recipient shall ensure that all agreements with its contractors to perform work related to this Project contain the following provisions:

1. Contractor shall comply with state prevailing wage law, Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720; and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000, for all construction, alteration, demolition, installation, repair or maintenance work over \$1,000 performed under the contract. Contractor’s obligations under prevailing wage laws include without limitation: pay at least the applicable prevailing wage for public works activities performed on the Project; comply with overtime and working hour requirements; comply with apprenticeship obligations; comply with payroll recordkeeping requirements; and comply with other obligations as required by law.
2. Contractor shall ensure that the above requirements are included in all its contracts and any layer of subcontracts for activities for the Project.

Attachment G

Prevailing Wage Compliance Certificate

Applicants should refer to the Prevailing Wage Compliance Certificate which is posted at www.energy.ca.gov/contracts as part of this solicitation package. If awarded a funding agreement that is subject to prevailing wages, this form will need to be completed and signed at the end of the Agreement term.

Attachment H

PREVAILING WAGE COMPLIANCE QUESTIONS AND ANSWERS

1. Is Payment of Prevailing Wage Required?

Yes. Any Recipient whose project involves “public works” as the term is defined in defined in Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720, must pay prevailing wages in accordance with the law.

2. Does prevailing wage apply to private entities?

Yes. A private entity must pay prevailing wage under California law if the project involves public works.

3. How do I know if my project involves public works?

The California Labor Code beginning at section 1720 deals with this issue. Labor Code sections 1720 and 1771 define public works as:

- Construction (includes work performed during the design and preconstruction phases of construction including but not limited to, inspection and land surveying work).
- Alteration
- Demolition.
- Installation.
- Repair work.
- Maintenance work.

These Labor Code sections can be found online at <http://www.leginfo.ca.gov/calaw.html>.

Below are some examples (this list is not exhaustive) of the types of activities that typically lead to finding that a project is a public work:

- Cement work such as pouring a cement pad.
- Site preparation such as grading.
- Surveying.
- Electrical work such as wiring.
- Carpentry work.
- Limited inspection activities.

4. What kind of trades or workers must be paid prevailing wage?

The California Department of Industrial Relations (DIR) Division of Labor Statistics and Research (DLSR) makes the final determination on which trades and/or workers are covered by prevailing wage laws. DLSR maintains a list of the covered trades/workers that are entitled to prevailing wage for public works commercial construction projects. See www.dir.ca.gov/dlsr/statistics_research.html or call the DLSR Prevailing Wage Hotline (415) 703-4774 for more information about these trades.

Generally, workers such as the following would be covered trades:

- Operating engineer (heavy equipment operator)
- Surveyor

- Carpenter
- Cement Mason
- Electrician
- Laborer

The following types of workers usually would NOT be covered trades entitled to prevailing wage:

- Engineer
- Project superintendent / construction manager / project manager
- Architect
- Planner
- Computer programmer

The above examples are for general information only. If you have questions about whether a worker is in a covered trade requiring payment of prevailing wages, you should check directly with DIR.

5. What if I am unsure whether my project involves public works and prevailing wage must be paid? How Should I Budget if I am Unsure About Prevailing Wage?

You are encouraged to determine if your project involves public works as soon as possible. In order to determine if your project is a public work, you will need to contact the California Department of Industrial Relations (DIR). They can be reached at (415) 703-4774. If you do not know whether your project is a public work and you have not obtained a determination from DIR that the project is not a public work, you must budget with the assumption that the project is a public work and comply with the prevailing wage laws, including but not limited to the payment of prevailing wages.

On the budget, please indicate whether your budget includes amounts for the payment of prevailing wage. You must indicate “yes” unless you have received a determination from DIR that the project is not a public work.

If you do not budget for prevailing wage, and it is later determined that the project involves public works and prevailing wage must be paid, you may be liable for damages and penalties. You also cannot later increase your grant award if it is determined that prevailing wages apply and increase project costs higher than budgeted. The amount requested in your proposal is the maximum that will be paid. Any increased costs for payment of prevailing wage must be paid with match funds. The Energy Commission’s grant award amount does not change or increase if the applicant’s costs increase for any reason.

6. How do I get assistance in determining whether the project involves public works?

First, call the DLSR Prevailing Wage Hotline, (415) 703-4774. The Prevailing Wage Hotline can frequently give advice quickly on routine questions. If the Prevailing Wage Hotline is unable to answer your question, you will need to write to the Director of DIR for a coverage determination on whether your project involves public works. You would include all the relevant facts and documents related to the project. DIR regulations, Title 8 California Code of Regulations, section 16001(a)(1), provides that any interested party may file a request with the Director of DIR to determine coverage under the prevailing wage laws. The request can be either for a specific project or type of work to be performed that the interested party believes may be subject to or excluded from coverage as public works under the Labor Code. The full text of DIR’s regulations can be found at: <http://ccr.oal.ca.gov>, (Title 8, Division 1, Chapter 8, Subchapter 3, Article 2). Send requests for a coverage determination to:

Department of Industrial Relations
Office of the Director

7. How long will it take to get an answer?

We do not know, but hope that the question can be asked and answered informally and quickly through the Prevailing Wage Hotline. If you need to submit a request to the Director of DIR, it will take longer to get a coverage determination.

8. What happens if I make a request to DIR but do not have a decision, or am still unsure whether prevailing wage must be paid, by the time the Energy Commission makes an award at a business meeting, or by the time I execute the grant agreement?

In this case, the Energy Commission would execute a grant agreement with a budget that assumes prevailing wage is required. If the Recipient, prior to performing the activities in question, then receives a determination from DIR that the project is not a public work, then the Energy Commission can execute an amendment with the Recipient to decrease the budget accordingly. The prevailing wage terms and conditions can also be removed.

9. What if I submit a proposal to the Energy Commission with a project that I say is not a public work, and the Energy Commission believes that it might be a public work? How would we resolve our differences?

We would request that you first call the Prevailing Wage Hotline. If you do not receive an answer, we would request that you write a letter to DIR and ask DIR to make the decision. If DIR says the project is a public work, then you will need to pay prevailing wages. If you do not obtain a DIR determination that the project is not a public work requiring the payment of prevailing wage, then you must assume that the project is a public work and comply with the prevailing wage laws, including paying prevailing wages.

10. If my project is a public work, how do I know what prevailing wages are required in order to prepare a budget?

If your project is a public work, please submit your budget with the applicable prevailing wage for each trade entitled to prevailing wage as determined by DLSR. For prevailing wage rate information for commercial projects, see www.dir.ca.gov/dlsr/statistics_research.html or call the Prevailing Wage Hotline (415) 703-4774. If your project involves residential construction, the rates are not listed on DIR's website, and you must call the DLSR Prevailing Wage Hotline.

11. What do I do if workers will be used who do not fit neatly into one of the categories on the DIR website?

Contact DLSR and describe the type of trade you anticipate will be required in your project and ask whether there is an existing prevailing wage already set by DLSR.

12. Does prevailing wage apply to a public entity that performs project work with its own employees?

No.

13. If my project is considered a public work, then are there any special requirements?

Yes. For example, the grantee must make sure that covered workers are paid prevailing wage. There are other requirements, such as keeping payroll records, complying with working hour requirements, and apprenticeship obligations. See the Labor Code and the sample terms and conditions, Special Condition regarding Prevailing Wage.

Attachment I

Preference Points for California-Based Entities

Pursuant to AB 2267 (Fuentes, 2008), the California Energy Commission's Public Interest Energy Research (PIER) Program must give a priority to "California-based entities" (CBEs) when making awards. To implement this law, the Energy Commission will award preference points if the proposal meets the criteria for a CBE as described below.

An Applicant must meet all of the following to receive CBE preference points:

1. The proposal must include a CBE as either the prime contractor/recipient or a subcontractor.
A CBE is a corporation or other business form organized for the transaction of business that:
 - Either has its headquarters or an office in California AND
 - Substantially manufactures the product or substantially performs the research within California that is the subject of the award.
2. The budget must show that the CBE(s) will receive 50% or more of the PIER funds awarded.
 - If the CBE is the prime contractor/recipient, then this means that no more than 50% of the awarded PIER funds can be subcontracted to non-CBEs.
 - The 50% applies to the PIER funds and does not include the match funding. For example, if a proposal has a PIER budget of \$100,000, then regardless of how much match funding is pledged, the budget must show \$50,000 or more in PIER funds going to CBEs.
 - The 50% requirement can be made up of multiple CBEs. For example, a proposal in which a prime contractor/recipient CBE will receive 25% of PIER funds and a subcontractor CBE will receive 25% of PIER funds, meets this 50% requirement.
3. The proposal must receive a passing score prior to any preference points being added.

The preference points will be awarded as follows:

Score (prior to preference points being added)	Points
98-105 points	1
106-113 points	3
114-122 points	4
123-130 points	6
131-140 points	7

The total possible points, not counting any preference points, for this solicitation is 140. The minimum passing score is 98 points. Each proposal that has a score of 91 points or more and qualifies for this preference will receive additional points based on the table above.

Applicants wanting to qualify for these preference points must fill out the attached form.

Attachment J

CBE Questionnaire

Applicants should refer to the CBE Questionnaire which is posted at www.energy.ca.gov/contracts as part of this solicitation package. The document is a Microsoft Word document. Applicants should use the Attachment J template to obtain CBE preference. If Attachment J is not submitted CBE preference WILL NOT be applied.